

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Connect America Fund	)	CC Docket No. 10-90
	)	
Lifeline and Link Up Reform and	)	WC Docket No. 14-58
Modernization	)	

**Request of Rainbow Telecommunications Association, Inc.  
For Confidential Treatment**

Pursuant to 47 C.F.R. § 0.459 of the Commission's Rules, Rainbow Telecommunications Association, Inc. requests confidentiality with respect to the submission of the Five-Year Build-Out Plan of Rainbow Telecommunications Association, Inc. in CC Docket No. 10-90 and WC Docket No. 11-42.

The following information is submitted pursuant to 47 C.F.R. § 0.459(b) of the Commission's rules:

- (1) Rainbow Telecommunications Association, Inc. requests that the Company's Five-Year Build-Out Plan and Narrative Description and attached herewith be given confidential treatment.
- (2) The Company's Five-Year Build-Out Plan and Narrative Description are submitted to the Commission pursuant to the *USF/ICC Transformation Order* (November 18, 2011) and 47 C.F.R. §§ 54.202(a)(1)(ii) and 54.313(a)(1).
- (3) Specific details, including financial, contained in the Company's Five-Year Build-Out Plan and Narrative Description are confidential commercial information routinely withheld from public inspection in accordance with 47 C.F.R. § 0.457(d).
- (4) The information contained the Company's Five-Year Build-Out Plan and Narrative Description is of both a financial and competitive nature regarding the provision of telecommunications services. The telecommunications industry is highly competitive.

- (5) The financial and competitive information provided herein is information that would not customarily be released to the public. Due to the competitive environment of the marketplace, release of this information could substantially harm Rainbow Telecommunications Association, Inc.'s business and physical infrastructure.
- (6) In order to prevent unauthorized disclosure of the subject information, the attached Five-Year Build-Out Plan and Narrative Description are being filed via express delivery service.
- (7) The subject information is not available to the public or any third parties.
- (8) Pursuant to 47 C.F.R. § 0.457(d), the subject material is not routinely available for public inspection and should continue to be withheld from public inspection at any time now or in the future.
- (9) Not applicable.

Respectfully submitted,

By: 

James Lednický

General Manager

Rainbow Telecommunications Assoc., Inc.

608 Main Street

Everest, KS 66424

785/548-7511

June 20, 2015



608 Main • P.O. Box 147 • Everest, KS 66424 • (785) 548-7511 • Toll Free (800) 892-0163 • [www.rainbowtel.net](http://www.rainbowtel.net)

***REDACTED - FOR PUBLIC INSPECTION***

**REDACTED**

**[The Five-Year Build-Out Plan and Narrative Description of Rainbow Telecommunications Association, Inc. is redacted in its entirety as Highly Confidential Information]**



608 Main • P.O. Box 147 • Everest, KS 66424 • (785) 548-7511 • Toll Free (800) 892-0163 • [www.rainbowtel.net](http://www.rainbowtel.net)

**REDACTED – FOR PUBLIC INSPECTION**

June 20, 2015

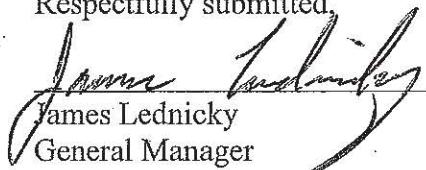
Charles Tyler  
Telecommunications Access Policy Division  
Wireline Competition Bureau  
Federal Communications Commission  
445 12<sup>th</sup> Street SW  
Room 5-A452  
Washington, D.C. 20554

**Re: CONFIDENTIAL INFORMATION – SUBMITTED PURSUANT TO 47 C.F.R. § 0.459(b)**

Dear Mr. Tyler:

Enclosed herein is one copy of the Five-Year Build-Out Plan and Narrative Description of Rainbow Telecommunications Association, Inc., Study Area Code 41820 — Stamped Confidential — in accordance with 47 C.F.R. §§ 54.202(a)(1)(ii) and 54.313(a)(1) of the Commission's rules. Rainbow Telecommunications Association, Inc. has redacted its entire Five-Year Build-Out Plan and Narrative Description. Rainbow Telecommunications Association, Inc. requests that the enclosed confidential information be deemed material not to be made routinely available for public inspection under the Commission's rules, 47 C.F.R. §§ 0.459(a) and 0.459(a)(3).

Respectfully submitted,

  
James Lednický  
General Manager



**FCC Form 481 - Carrier Annual Reporting  
Data Collection Form**

 FCC Form 481  
 OMB Control No. 3060-0986/OMB Control No. 3060-0819  
 July 2013

<010> Study Area Code	411820
<015> Study Area Name	RAINBOW TELECOM
<020> Program Year	2016
<030> Contact Name: Person USAC should contact with questions about this data	Beverly Armstrong
<035> Contact Telephone Number: Number of the person identified in data line <030>	7855487511 ext. 1106
<039> Contact Email Address: Email of the person identified in data line <030>	bev@rainbowtel.com

**ANNUAL REPORTING FOR ALL CARRIERS**

54,313 Completion Required	54,422 Completion Required
----------------------------------	----------------------------------

(check box when complete)

<100> Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<200> Outage Reporting (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<210> <input checked="" type="checkbox"/> ← check box if no outages to report		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<300> Unfulfilled Service Requests (voice)	0	<input type="checkbox"/>	<input type="checkbox"/>
<310> Detail on Attempts (voice)	(attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>
<320> Unfulfilled Service Requests (broadband)	0	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<330> Detail on Attempts (broadband)	(attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>
<400> Number of Complaints per 1,000 customers (voice)			
<410> Fixed	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<420> Mobile	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<430> Number of Complaints per 1,000 customers (broadband)		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<440> Fixed	0.0	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<450> Mobile	0.0	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<510> Affidavit 411820ks510.pdf	(attached descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<600> Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<610> Affidavit 411820ks510.pdf	(attached descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<700> Company Price Offerings (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<710> Company Price Offerings (broadband)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<800> Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<900> Tribal Land Offerings (Y/N)?	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1000> Voice Services Rate Comparability Certification	Yes	<input checked="" type="checkbox"/>	<input type="checkbox"/>
411820ks1010.pdf	(attach descriptive document)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1010>		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1100> Certify whether terrestrial backhaul options exist (Yes or No)	(if not, check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>
<1110>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet**

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>	(check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>
<2005>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>

**Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet**

<3000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<3005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**(100) Service Quality Improvement Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	411820
<015>	Study Area Name	RAINBOW TELECOM
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Beverly Armstrong
<035>	Contact Telephone Number - Number of person identified in data line <030>	7855487511 ext.1106
<039>	Contact Email Address - Email Address of person identified in data line <030>	bev@rainbowtel.com
<110>	Has your company received its ETC certification from the FCC?	(yes / no) <input type="radio"/> <input checked="" type="radio"/>
	If your answer to Line <110> is yes, do you have an existing §54.202(a) "5	
<111>	year plan" filed with the FCC?	(yes / no) <input type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

411820ks112.pdf, 411820ks112 5 Year Plan Progress Report Map\_2015.pdf

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

Name of Attached Document

Please select the appropriate responses below (Yes, No, Not Applicable) to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to §54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

<113> Maps detailing progress towards meeting plan targets  
 <114> Report how much universal service (USF) support was received  
 <115> How much (USF) was used to improve service quality and how support was used to improve service quality  
 <116> How much (USF) was used to improve service coverage and how support was used to improve service coverage  
 <117> How much (USF) was used to improve service capacity and how support was used to improve service capacity  
 <118> Provide an explanation of network improvement targets not met in the prior calendar year.

Yes
Yes
Yes
Yes
Yes
Not Applicable



FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

July 2013

<010>	Study Area Code	411820
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<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Beverly Armstrong
<035>	Contact Telephone Number - Number of person identified in data line <030>	7855487511 ext. 1106
<039>	Contact Email Address - Email Address of person identified in data line <030>	bav@rainbowtel.com

[illegible]

**(700) Price Offerings including Voice Rate Data  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010> Study Area Code 411820

<015>	Study Area Name	RAINBOW TELECOM
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<020>	Program Year	2016
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<030>	Contact Name - Person USAC should contact regarding this data	Beverly Armstrong
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<035>	Contact Telephone Number - Number of person identified in data line <030>	7855487511 ext.1106
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<039>	Contact Email Address - Email Address of person identified in data line <030>	bev@rainbowtel.com
-------	---	--------------------

<701> Residential Local Service Charge Effective Date

1/1/2015

<702> Single State-wide Residential Local Service Charge

16.75

[illegible]

(710) Broadband Price Offerings  
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	411820
<015>	Study Area Name	RAINBOW TELECOM
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Beverly Armstrong
<035>	Contact Telephone Number - Number of person identified in data line <030>	7855487511 ext. 1106
<039>	Contact Email Address - Email Address of person identified in data line <030>	bev@rainbowtel.com

[illegible]



**(800) Operating Companies**

### Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	411820
<015>	Study Area Name	RAINBOW TELECOM
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Beverly Armstrong
<035>	Contact Telephone Number - Number of person identified in data line <030>	7855487511 ext.1106
<039>	Contact Email Address - Email Address of person identified in data line <030>	bev@rainbowtel.com

<810> Reporting Carrier Rainbow Telecommunications Association, Inc.

<811>	Holding Company	Rainbow Telecommunications Association, Inc.
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<812> Operating Company Rainbow Telecommunications Association, Inc.

<813>

<a1>

<a2>

<a3>

## Affiliates

SAC

### Doing Business As Company or Brand Designation

-- See attached worksheet --

**(900) Tribal Lands Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	411820
<015>	Study Area Name	RAINBOW TELECOM
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Beverly Armstrong
<035>	Contact Telephone Number - Number of person identified in data line <030>	7855487511 ext.1106
<039>	Contact Email Address - Email Address of person identified in data line <030>	bev@rainbowtel.com

&lt;910&gt; Tribal Land(s) on which ETC Serves

--

&lt;920&gt; Tribal Government Engagement Obligation

--

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- |  |   |  |  |  |  |  |  |  |  |  |  |
|--|---|--|--|--|--|--|--|--|--|--|--|
| <p>&lt;921&gt; Needs assessment and deployment planning with a focus on Tribal community anchor institutions.</p> <p>&lt;922&gt; Feasibility and sustainability planning;</p> <p>&lt;923&gt; Marketing services in a culturally sensitive manner;</p> <p>&lt;924&gt; Compliance with Rights of way processes</p> <p>&lt;925&gt; Compliance with Land Use permitting requirements</p> <p>&lt;926&gt; Compliance with Facilities Siting rules</p> <p>&lt;927&gt; Compliance with Environmental Review processes</p> <p>&lt;928&gt; Compliance with Cultural Preservation review processes</p> <p>&lt;929&gt; Compliance with Tribal Business and Licensing requirements.</p> | <table border="1"> <tr> <td>Select<br/>Yes or No or<br/>Not Applicable</td> </tr> <tr> <td></td> </tr> <tr> <td></td> </tr> <tr> <td></td> </tr> <tr> <td></td> </tr> <tr> <td></td> </tr> <tr> <td></td> </tr> <tr> <td></td> </tr> <tr> <td></td> </tr> <tr> <td></td> </tr> </table> | Select<br>Yes or No or<br>Not Applicable |  |  |  |  |  |  |  |  |  |
| Select<br>Yes or No or<br>Not Applicable   |   |  |  |  |  |  |  |  |  |  |  |
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Select Yes or No or Not Applicable

**(1100) No Terrestrial Backhaul Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	411820
<015>	Study Area Name	RAINBOW TELECOM
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Beverly Armstrong
<035>	Contact Telephone Number - Number of person identified in data line <030>	7855487511 ext.1106
<039>	Contact Email Address - Email Address of person identified in data line <030>	bev@rainbowtel.com

<1120> Please confirm whether terrestrial backhaul options exist within the supported area pursuant to § 54.313(g) (Yes, No).

<1130> Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).



**(1200) Terms and Condition for Lifeline Customers****Lifeline****Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	411820
<015>	Study Area Name	RAINBOW TELECOM
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Beverly Armstrong
<035>	Contact Telephone Number - Number of person identified in data line <030>	7855487511 ext.1106
<039>	Contact Email Address - Email Address of person identified in data line <030>	bev@rainbowtel.com

&lt;1210&gt; Terms &amp; Conditions of Voice Telephony Lifeline Plans

Name of Attached Document

&lt;1220&gt; Link to Public Website

HTTP [www.rainbowtel.net/services/phone](http://www.rainbowtel.net/services/phone)

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

<1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒

<1222> Details on the number of minutes provided as part of the plan, ☒

<1223> Additional charges for toll calls, and rates for each such plan. ☒

**(2000) Price Cap Carrier Additional Documentation****Data Collection Form***Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers*

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	
<015>	Study Area Name	411820
<020>	Program Year	RAINBOW TELECOM
<030>	Contact Name - Person USAC should contact regarding this data	2016
<035>	Contact Telephone Number - Number of person identified in data line <030>	Beverly Armstrong
<039>	Contact Email Address - Email Address of person identified in data line <030>	7855487511 ext.1106
		beverrainbowtel.com

Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

**Incremental Connect America Phase I reporting**

- <2010> 2nd Year Certification {47 CFR § 54.313(b)(1)i}  
 <2011a> 3rd Year Certification {47 CFR § 54.313(b)(1)ii}  
 <2011b> Attachment {47 CFR § 54.313(b)(1)ii}


Name of Attached Document(s) Listing Required Information

**Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}**

- <2012> 2013 Frozen Support Calculation {47 CFR § 54.313(c)(1)}  
 <2013> 2014 Frozen Support Calculation {47 CFR § 54.313(c)(2)}  
 <2014> 2015 Frozen Support Calculation {47 CFR § 54.313(c)(3)}  
 <2015> 2016 and future Frozen Support Calculation {47 CFR § 54.313(c)(4)}


**Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}**

- <2016> Certification Support Used to Build Broadband


**Connect America Phase II Reporting {47 CFR § 54.313(e)}**

- <2017> 3rd year Broadband Service Certification  
 <2018> 5th year Broadband Service Certification  
 <2019> Interim Progress Certification  
 <2020> Please check the box to confirm that the attached document(s), on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

--

- <2021> Interim Progress Community Anchor Institutions

--

Name of Attached Document(s) Listing Required Information



## (3000) Rate Of Return Carrier Additional Documentation

FCC Form 481

Data Collection Form

OMB Control No. 3060-0986/OMB Control No. 3050-0819

July 2013

<010> Study Area Code	411820
<015> Study Area Name	RAINBOW TELECOM
<020> Program Year	2016
<030> Contact Name - Person USAC should contact regarding this data	Beverly Armstrong
<035> Contact Telephone Number - Number of person identified in data line <030>	7855487511 ext. 1106
<039> Contact Email Address - Email Address of person identified in data line <030>	bev@rainbowtel.com

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

411820ks112 5 Year Plan Progress Report Map\_2015.pdf

- (3010) Progress Report on 5 Year Plan  
Milestone Certification (47 CFR § 54.313(f)(1)(i))

Name of Attached Document Listing Required Information

- (3011) Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313 (f)(1)(ii), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year. ☐

- (3012) Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))

Name of Attached Document Listing Required Information

- (3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))  
(3014) If yes, does your company file the RUS annual report

(Yes/No) ☒ ☐  
(Yes/No) ☒ ☐

Please check these boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

- (3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers) ☒  
(3016) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows ☒

- (3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation

411820K63017.pdf

Name of Attached Document Listing Required Information

- (3018) If the response is no on line 3014, Is your company audited?

(Yes/No) ☒ ☐

If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

- (3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications ☐  
(3020) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows ☐  
(3021) Management letter and audit opinion issued by the independent certified public accountant that performed the company's financial audit ☐

If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

- (3022) Copy of their financial statement which has been subject to review by an independent certified public accountant; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers, ☐  
(3023) Underlying information subjected to a review by an independent certified public accountant ☐  
(3024) Underlying information subjected to an officer certification, ☐  
(3025) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows ☐

- (3026) Attach the worksheet listing required information.

Name of Attached Document Listing Required Information

## Data Collection Form

<010>	Study Area Code	411820
<015>	Study Area Name	RAINBOW TELECOM
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Beverly Armstrong
<035>	Contact Telephone Number - Number of person identified in data line <030>	7855487511 ext. 1106
<039>	Contact Email Address - Email Address of person identified in data line <030>	bav@rainbowtel.com

## Financial Data Summary

(3027) Revenue

5526730

(3028) Operating Expenses

4198712

(3029) Net Income

1149234

(3030) Telephone Plant In Service(TPIS)

28732521

(3031) Total Assets

41696125

(3032) Total Debt

1669445

(3033) Total Equity

39639259

(3034) Dividends

0

Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	411820
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<020> Program Year	2016
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<035> Contact Telephone Number - Number of person identified in data line <030>	7855487511 ext.1106
<039> Contact Email Address - Email Address of person identified in data line <030>	bev@rainbowtel.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	RAINBOW TELECOM
Signature of Authorized Officer:	Date
Printed name of Authorized Officer:	Beverly Armstrong
Title or position of Authorized Officer:	Director of Administration
Telephone number of Authorized Officer:	7855487511 ext.1105
Study Area Code of Reporting Carrier:	411820
Filing Due Date for this form:	07/01/2015
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	



Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	411820
<015> Study Area Name	RAINBOW TELECOM
<020> Program Year	2016
<030> Contact Name - Person USAC should contact regarding this data	Beverly Armstrong
<035> Contact Telephone Number - Number of person identified in data line <030>	7855487511 ext. 1106
<039> Contact Email Address - Email Address of person identified in data line <030>	bev@rainbowtel.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date:
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	
Name of Authorized Agent or Employee of Agent:	
Signature of Authorized Agent or Employee of Agent:	Date:
Printed name of Authorized Agent or Employee of Agent:	
Title or position of Authorized Agent or Employee of Agent:	
Telephone number of Authorized Agent or Employee of Agent:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

## Attachments



(700) Price Offerings including Voice Rate Data  
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010> Study Area Code	411820
-----------------------	--------

<015>	Study Area Name	RAINBOW TELECOM
-------	-----------------	-----------------

<020>	Program Year	2016
-------	--------------	------

<030> Contact Name - Person USAC should contact regarding this data Beverly Armstrong

<035> Contact Telephone Number - Number of person identified in data line <030> 7855487511 ext.1106

<039> Contact Email Address - Email Address of person identified in data line <030> bev@rainbowtel.com

<701> Residential Local Service Charge Effective Date	1/1/2015
---	----------

<702>	Single State-wide Residential Local Service Charge	16.75
-------	--	-------

<703>

[illegible]

<b>(710) Broadband Price Offerings</b> <b>Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	411820
<015>	Study Area Name	RAINBOW TELECOM
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Beverly Armstrong
<035>	Contact Telephone Number - Number of person identified in data line <030>	7855487511 ext.1106
<039>	Contact Email Address - Email Address of person identified in data line <030>	bev@rainbowtel.com

[illegible]



(800) Operating Companies Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	411820
<015>	Study Area Name	RAINBOW TELECOM
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Beverly Armstrong
<035>	Contact Telephone Number - Number of person identified in data line <030>	7855487511 ext.1106
<039>	Contact Email Address - Email Address of person identified in data line <030>	bev@rainbowtel.com

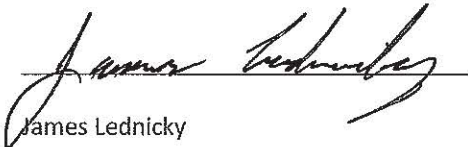
<810>	Reporting Carrier	Rainbow Telecommunications Association, Inc.
<811>	Holding Company	Rainbow Telecommunications Association, Inc.
<812>	Operating Company	Rainbow Telecommunications Association, Inc.

[illegible]

**Affidavit of James Lednicky**

I, James Lednicky, being of lawful age and duly sworn, on my oath and under penalty of perjury, state that I am the General Manager and an Officer of Rainbow Telecommunications Association, Inc. and that I am authorized to execute this Affidavit on behalf of Rainbow Telecommunications Association, Inc., and the facts set forth in this Affidavit are accurate to the best of my knowledge, information and belief.

1. I have reviewed the foregoing 2014 ETC Certification of Support and Annual Report of Rainbow Telecommunications Association, Inc. and hereby declare that the contents of the Report are true and correct to the best of my knowledge and belief.
2. I hereby certify pursuant to the requirements under 47 C.F.R. §54.313(a)(6) that:
  - a. Rainbow Telecommunications Association, Inc. has established operating procedure designed to facilitate compliance with applicable consumer protection rules.
  - b. Rainbow Telecommunications Association, Inc. has established operating procedures designed to facilitate compliance with service quality standards, which may include customer remedies and improvement plans.
  - c. Rainbow Telecommunications Association, Inc. is able to remain functional in emergency situations as set forth in §54.202(a)(2), and
3. All federal universal service support to Rainbow Telecommunications Association, Inc. was used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

  
James Lednicky

**ACKNOWLEDGMENT**


State of Kansas )

:SS.

County of Brown )

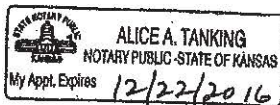
Subscribed, sworn to and acknowledged before me on this 20th day of June, 2015 by

James Lednicky.



Notary Public

Stamp:



Form 481 Line 1000 §54.313(a)(10) – Voice Services Rate Comparability

Rainbow Telecommunications Association, Inc. retail monthly residential local service rate is \$16.95



Company Name: Rainbow Telecommunications Association, Inc.

Company Headquarters: Everest, KS

**Narrative**

Pursuant to FCC USF/ICC Transformation Order, rate of return carriers were required to file five year plans consistent with Title 47 Section 54.202(a)(1)(ii) in 2014 and are required to file annual progress reports thereafter consistent with Title 47 Section 54.313(a)(1). The Rainbow service areas are the exchanges of Bendena, Denton, Everest, Huron, Muscotah, Robinson, Whiting and Willis in Kansas.

The annual progress reports should include (1) maps detailing progress towards meeting plan targets, (2) an explanation of how much universal service support was received and (3) how it was used to improve service quality, coverage, or capacity, and (4) an explanation regarding any network improvement targets that have not been fulfilled in the prior calendar year. For progress report submitted in 2015, the requirement regarding any targets not fulfilled in the prior calendar year is waived as 2014 was not included in the five year plan.

**Maps**

Detailed maps are included as progress towards plan goals was made to date in 2015.

**Universal Service Support Received**

To date in 2015, Rainbow has received \$1,122,180.00 High Cost Program universal support funds from USAC. This universal service support received is broken out separately into 50% capital expenses and 50% operating expenses based on rate base.

**How Universal Service Support Was Used to Improve Service Quality, Coverage, or Capacity**

As Universal Service Funds are allocated dependent on past plant investment, the primary planned use of such funds is cost of money, capital recovery, income and property tax payments, and maintenance in support of this previously constructed plant.

This past investment included fiber to the premises system deployments, bringing broadband service to 100% of all service areas.

These projects improved service quality by using improved fiber technology to deliver broadband services.

These projects improved service coverage by bringing broadband coverage to 100% of all services areas.

These projects improved service capacity by using improved fiber technology to deliver higher capacity broadband services.

In addition to past investments in broadband plant, Rainbow also has used income for cost of money, capital recover, income and property tax payments, and maintenance in support of this recently constructed plant.

For the amount of Universal Support Received stated above, please note that many of the dollars spent would apply to multiple categories so the sum of the categorized dollars below may likely exceed the amount shown above. For example, one project may improve both service quality and coverage and therefore would be included in both categorizations.

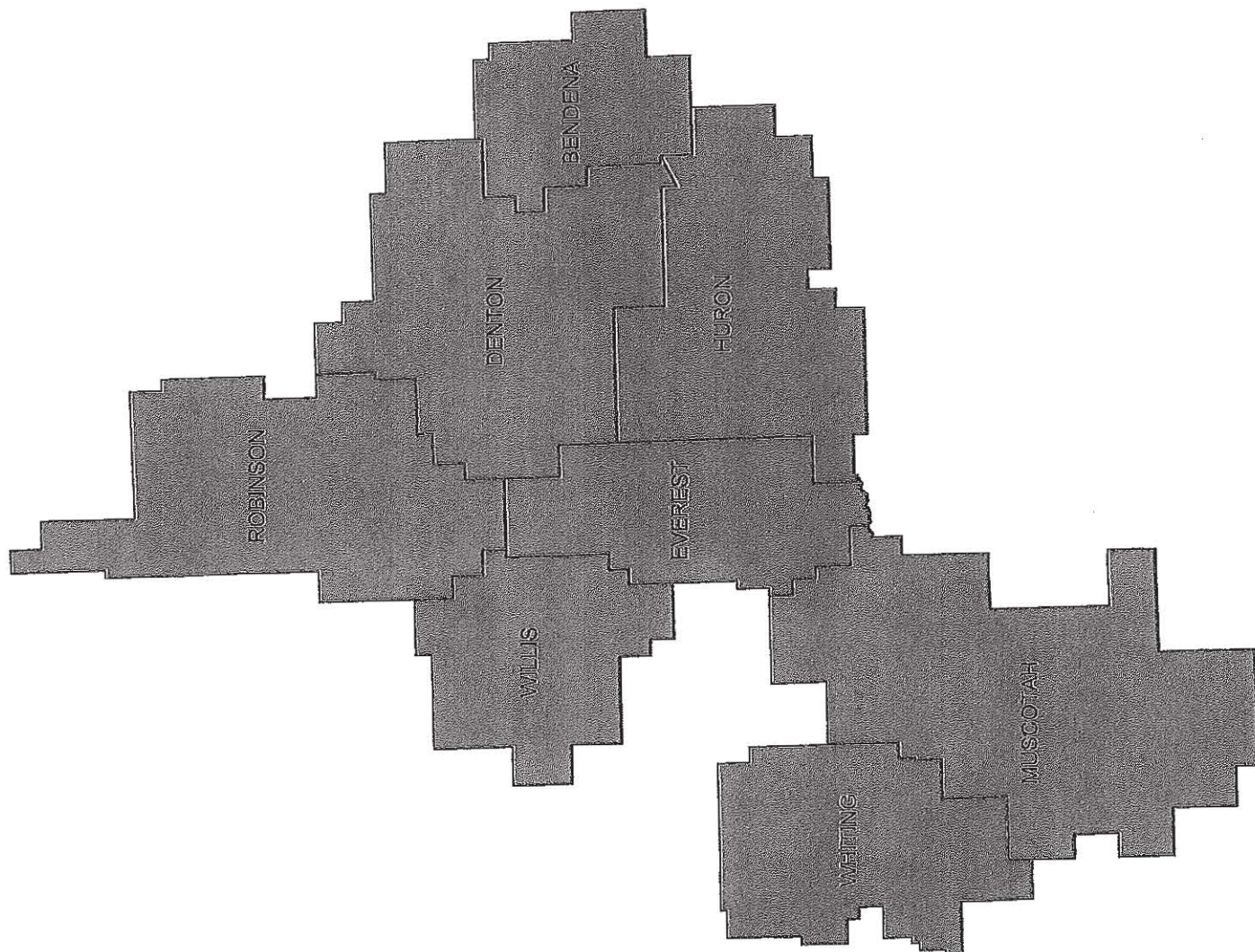
The amount of support used to improve service quality was \$1,122,180.00 of support amount received here.

The amount of support used to improve service coverage was \$1,122,180.00 of support received amount here.

The amount of support used to improve service capacity was \$1,122,180.00 of support amount received here.

**Explanation Regarding Any Network Improvement Targets Not Fulfilled in the Prior Calendar Year**

As noted above, this requirement is waived in this 2015 progress report as the prior calendar year, 2014, was not included in the 5-year plan and therefore had no associated network improvement targets.



- ☒ In Progress
- ☒ Completed
- ☐ Exchange Boundary

RAINBOW TELECOMMUNICATIONS ASSOCIATION, INC.  
KS 549

FIVE YEAR PLAN  
PROGRESS REPORT

DATE	APPROVED	DATE
5-22-15	AN	5-22-15



USDA-RUS

This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.

# OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

BORROWER NAME

Rainbow Telecommunications Association, Inc.

(Prepared with Audited Data)

INSTRUCTIONS-Submit report to RUS within 30 days after close of the period.  
-detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.

PERIOD ENDING

December, 2014

BORROWER DESIGNATION

KS0549

## CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII

(Check one of the following)

☒ All of the obligations under the RUS loan documents have been fulfilled in all material respects.

☐ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report

CONFIDENTIAL

Norman Elliott

2/25/2015

DATE

## PART A. BALANCE SHEET

ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
Cash and Equivalents	13,799,369	9,907,548	25. Accounts Payable	136,740	91,665
Cash-RUS Construction Fund			26. Notes Payable	0	0
Affiliates:			27. Advance Billings and Payments	38,096	36,966
a. Telecom, Accounts Receivable			28. Customer Deposits	7,525	8,000
b. Other Accounts Receivable	7,534,006	8,434,565	29. Current Mat. L/T Debt	2,029,134	
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.	0	0
Non-Affiliates:			31. Current Mat.-Capital Leases	0	0
a. Telecom, Accounts Receivable	1,219,738	1,097,290	32. Income Taxes Accrued	0	0
b. Other Accounts Receivable			33. Other Taxes Accrued	34,900	41,368
c. Notes Receivable			34. Other Current Liabilities	247,084	209,422
Interest and Dividends Receivable	2,953	2,968	35. Total Current Liabilities (25 thru 34)	2,493,479	387,421
Material-Regulated	60,347	62,311	<b>LONG-TERM DEBT</b>		
Material-Nonregulated	0	0	36. Funded Debt-RUS Notes	4,533,804	1,527,626
Prepayments	249,564	358,796	37. Funded Debt-RTB Notes	141,668	141,819
Other Current Assets	0		38. Funded Debt-FFB Notes	0	0
<b>Total Current Assets (1 Thru 9)</b>	<b>22,865,977</b>	<b>19,863,478</b>	39. Funded Debt-Other	0	0
<b>NONCURRENT ASSETS</b>			40. Funded Debt-Rural Develop. Loan	0	0
Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt	0	0
a. Rural Development	6,244,404	6,173,330	42. Recquired Debt	0	0
b. Nonrural Development	0		43. Obligations Under Capital Lease	0	0
Other Investments			44. Adv. From Affiliated Companies	0	0
a. Rural Development	10,235	15,406	45. Other Long-Term Debt	0	0
b. Nonrural Development			46. Total Long-Term Debt (36 thru 45)	4,675,472	1,669,445
Nonregulated Investments			<b>OTHER LIAB. &amp; DEF. CREDITS</b>		
Other Noncurrent Assets	1,512,720	1,573,229	47. Other Long-Term Liabilities	2,331	
Deferred Charges			48. Other Deferred Credits	(2,978)	
Jurisdictional Differences			49. Other Jurisdictional Differences	0	
<b>Total Noncurrent Assets (11 thru 16)</b>	<b>7,767,359</b>	<b>7,761,965</b>	50. Total Other Liabilities and Deferred Credits (47 thru 49)	(647)	0
<b>INT, PROPERTY, AND EQUIPMENT</b>			<b>EQUITY</b>		
Telecom, Plant-in-Service	28,782,976	28,732,521	51. Cap. Stock Outstand. & Subscribed	0	
Property Held for Future Use			52. Additional Paid-in-Capital	0	
Plant Under Construction		11,299	53. Treasury Stock	0	
Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates	0	
Less Accumulated Depreciation	13,422,033	14,673,138	55. Other Capital	0	
<b>Net Plant (18 thru 21 less 22)</b>	<b>15,360,943</b>	<b>14,070,682</b>	56. Patronage Capital Credits	33,856,646	34,582,161
<b>TOTAL ASSETS (10+17+23)</b>	<b>45,994,279</b>	<b>41,696,125</b>	57. Retained Earnings or Margins	4,969,329	5,057,098
			58. Total Equity (51 thru 57)	38,825,975	39,639,259
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)	45,994,279	41,696,125

Total Equity = 95.07% % of Total Assets



# OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

KS0549

CONFIDENTIAL

PERIOD ENDING

December, 2014

INSTRUCTIONS- See RUS Bulletin 1744-2

## PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS

ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues	450,530	449,738
2. Network Access Services Revenues	5,495,421	4,959,538
3. Long Distance Network Services Revenues	0	
4. Carrier Billing and Collection Revenues	0	
5. Miscellaneous Revenues	117,428	117,986
6. Uncollectible Revenues	214	532
7. Net Operating Revenues (1 thru 5 less 6)	6,063,165	5,526,730
8. Plant Specific Operations Expense	637,780	637,529
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	395,316	485,207
10. Depreciation Expense	1,469,305	1,499,393
11. Amortization Expense	51,556	23,586
12. Customer Operations Expense	371,993	384,291
13. Corporate Operations Expense	973,535	1,168,706
14. Total Operating Expenses (8 thru 13)	3,899,485	4,198,712
15. Operating Income or Margins (7 less 14)	2,163,680	1,328,018
16. Other Operating Income and Expenses	0	
17. State and Local Taxes	(17,118)	(15,937)
18. Federal Income Taxes	0	0
19. Other Taxes	71,140	84,300
20. Total Operating Taxes (17+18+19)	54,022	68,363
21. Net Operating Income or Margins (15+16-20)	2,109,658	1,259,655
22. Interest on Funded Debt	676,072	587,873
23. Interest Expense - Capital Leases	0	
24. Other Interest Expense	12	11
25. Allowance for Funds Used During Construction	0	
26. Total Fixed Charges (22+23+24-25)	676,084	587,884
27. Nonoperating Net Income	381,508	471,448
28. Extraordinary Items	0	
29. Jurisdictional Differences	0	
30. Nonregulated Net Income	6,087	6,015
31. Total Net Income or Margins (21+27+28+29+30-26)	1,821,169	1,149,234
32. Total Taxes Based on Income	(17,118)	(15,937)
33. Retained Earnings or Margins Beginning-of-Year	4,772,623	4,969,329
34. Miscellaneous Credits Year-to-Date	220,562	158,842
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)		
37. Other Debits Year-to-Date		
38. Transfers to Patronage Capital	1,845,025	1,220,307
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]	4,969,329	5,057,098
40. Patronage Capital Beginning-of-Year	32,627,234	33,856,646
41. Transfers to Patronage Capital	1,845,025	1,220,307
42. Patronage Capital Credits Retired	615,613	494,792
43. Patronage Capital End-of-Year (40+41-42)	33,856,646	34,582,161
44. Annual Debt Service Payments	2,618,040	2,618,040
45. Cash Ratio [(14+20-10-11) / 7]	0.4012	0.4965
46. Operating Accrual Ratio [(14+20+26) / 7]	0.7636	0.8785
47. TIER [(31+26) / 26]	3.6937	2.9549
48. DSCR [(31+26+10+11) / 44]	1.5348	1.2452

# **OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS**

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

KS0549

PERIOD ENDED

December, 2014

## **Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION**

EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1	R-1	BUSINESS	RESIDENTIAL	TOTAL	TOTAL (including fiber)	FIBER
	(a)	(b)	(a)	(b)	(c)	(a)	(b)
Bendena	19.25	16.25	111	24	135	58.02	53.59
Denton	19.25	16.25	164	20	184	119.69	115.70
Everest	19.25	16.25	190	50	240	110.58	104.82
Huron	19.25	16.25	165	9	174	151.31	138.60
Muscotah	19.25	16.25	253	33	286	121.94	111.80
Robinson	19.25	16.25	200	30	230	134.81	126.78
Whiting	19.25	16.25	151	20	171	93.31	83.13
Willis	19.25	16.25	82	28	110	90.53	77.48
MobileWireless					0		
Route Mileage Outside Exchange Area						9.89	0.00
Total			1,316	214	1,530	890.08	811.90
No. Exchanges	8						

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# OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

PERIOD ENDED

December, 2014

INSTRUCTIONS - See RUS Bulletin 1744-2

## Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION

### 4. BROADBAND SERVICE

EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Number Of Subscribers (c)	Details on Least Expensive Broadband Service				
				Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	Standalone/Pckg (f)	Type Of Technology (g)
Bendena	135	101	48	1,500	3,000	40.00	StandAlone	Fiber to the Home
Denton	184	133	90	1,500	3,000	40.00	StandAlone	Fiber to the Home
Everest	240	200	92	1,500	3,000	40.00	StandAlone	Fiber to the Home
Huron	174	131	85	1,500	3,000	40.00	StandAlone	Fiber to the Home
Muscotah	286	209	132	1,500	3,000	40.00	StandAlone	Fiber to the Home
Robinson	230	170	91	1,500	3,000	40.00	StandAlone	Fiber to the Home
Whiting	171	127	75	1,500	3,000	40.00	StandAlone	Fiber to the Home
Willis	110	77	39	1,500	3,000	40.00	StandAlone	Fiber to the Home
Total	1,530	1,148						

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USDA-RUS

OPERATING REPORT FOR  
TELECOMMUNICATIONS BORROWERS

BORROWER DESIGNATION

KS0549

PERIOD ENDING

December, 2014

INSTRUCTIONS- See RUS Bulletin 1744-2

PART D. SYSTEM DATA

1. No. Plant Employees	2. No. Other Employees	3. Square Miles Served	4. Access Lines per Square Mile	5. Subscribers per Route Mile
9	9	484	3.16	1.72

PART E. TOLL DATA

1. Study Area ID Code(s)	2. Types of Toll Settlements (Check one)
a. 411820	Interstate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis
b. _____	Intrastate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis
c. _____	
d. _____	
e. _____	
f. _____	
g. _____	
h. _____	
i. _____	
j. _____	

PART F. FUNDS INVESTED IN PLANT DURING YEAR

1. RUS, RTB, & FFB Loan Funds Expended	
2. Other Long-Term Loan Funds Expended	
3. Funds Expended Under RUS Interim Approval	
4. Other Short-Term Loan Funds Expended	
5. General Funds Expended (Other than Interim)	241,914
6. Salvaged Materials	
7. Contribution in Aid to Construction	
8. Gross Additions to Telecom. Plant (1 thru 7)	241,914

PART G. INVESTMENTS IN AFFILIATED COMPANIES

INVESTMENTS	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year	Income/Loss This Year	Cumulative Investment To Date	Cumulative Income/Loss To Date	Current Balance
(a)	(b)	(c)	(d)	(e)	(f)
1. Investment in Affiliated Companies - Rural Development	0	(71,074)	5,864,046	309,284	6,173,330
2. Investment in Affiliated Companies - Nonrural Development					

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# OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

BORROWER DESIGNATION

KB0549

PERIOD ENDING

December, 2014

## PART H. CURRENT DEPRECIATION RATES

Are corporation's depreciation rates approved by the regulatory authority  
with jurisdiction over the provision of telephone services? (Check one)



YES



NO

EQUIPMENT CATEGORY	DEPRECIATION RATE
1. Land and support assets - Motor Vehicles	26.27%
2. Land and support assets - Aircraft	0.01%
3. Land and support assets - Special purpose vehicles	0.01%
4. Land and support assets - Garage and other work equipment	23.98%
5. Land and support assets - Buildings	5.02%
6. Land and support assets - Furniture and Office equipment	16.84%
7. Land and support assets - General purpose computers	18.57%
8. Central Office Switching - Digital	11.58%
9. Central Office Switching - Analog & Electro-mechanical	0.01%
10. Central Office Switching - Operator Systems	0.01%
11. Central Office Transmission - Radio Systems	0.01%
12. Central Office Transmission - Circuit equipment	15.53%
13. Information origination/termination - Station apparatus	0.01%
14. Information origination/termination - Customer premises wiring	0.01%
15. Information origination/termination - Large private branch exchanges	0.01%
16. Information origination/termination - Public telephone terminal equipment	0.01%
17. Information origination/termination - Other terminal equipment	0.01%
18. Cable and wire facilities - Poles	0.01%
19. Cable and wire facilities - Aerial cable - Metal	0.01%
20. Cable and wire facilities - Aerial cable - Fiber	0.01%
21. Cable and wire facilities - Underground cable - Metal	0.01%
22. Cable and wire facilities - Underground cable - Fiber	0.01%
23. Cable and wire facilities - Buried cable - Metal	5.68%
24. Cable and wire facilities - Buried cable - Fiber	5.68%
25. Cable and wire facilities - Conduit systems	0.01%
26. Cable and wire facilities - Other	0.01%

CONFIDENTIAL



USDA-RUS

BORROWER DESIGNATION

KS0549

OPERATING REPORT FOR  
TELECOMMUNICATIONS BORROWERS

PERIOD ENDED

December, 2014

INSTRUCTIONS – See help in the online application.

## PART I – STATEMENT OF CASH FLOWS

1.	Beginning Cash (Cash and Equivalents plus RUS Construction Fund)	13,799,369
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
2.	Net Income	1,149,234
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>		
3.	Add: Depreciation	1,499,393
4.	Add: Amortization	23,586
5.	Other (Explain) Increase Interest Receivable	(16)
<i>Changes in Operating Assets and Liabilities</i>		
6.	Decrease/(Increase) in Accounts Receivable	(778,111)
7.	Decrease/(Increase) in Materials and Inventory	(1,964)
8.	Decrease/(Increase) in Prepayments and Deferred Charges	(109,232)
9.	Decrease/(Increase) in Other Current Assets	0
10.	Increase/(Decrease) in Accounts Payable	(45,075)
11.	Increase/(Decrease) in Advance Billings & Payments	(1,130)
12.	Increase/(Decrease) in Other Current Liabilities	(31,194)
13.	Net Cash Provided/(Used) by Operations	1,705,491
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
14.	Decrease/(Increase) in Notes Receivable	0
15.	Increase/(Decrease) in Notes Payable	0
16.	Increase/(Decrease) in Customer Deposits	475
17.	Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)	(5,035,161)
18.	Increase/(Decrease) in Other Liabilities & Deferred Credits	647
19.	Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital	0
20.	Less: Payment of Dividends	0
21.	Less: Patronage Capital Credits Retired	(494,792)
22.	Other (Explain) Gain on Retirement of Capital Credits	158,842
23.	Net Cash Provided/(Used) by Financing Activities	(5,369,989)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
24.	Net Capital Expenditures (Property, Plant & Equipment)	39,156
25.	Other Long-Term Investments	65,903
26.	Other Noncurrent Assets & Jurisdictional Differences	(60,509)
27.	Other (Explain) Correct Pre-Populated # for Net Capital Expenditures Ln 24	(271,873)
28.	Net Cash Provided/(Used) by Investing Activities	(227,323)
29.	Net Increase/(Decrease) in Cash	(3,891,821)
30.	Ending Cash	9,907,548

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